

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 140
TIPTON, INDIANA

January 1, 2004 to December 31, 2004



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OFFICIALS

Office

Official

Term

Chairman, Bureau of Motor
Vehicles Commission

Gerald Coleman
Mary DePrez
Joel Silverman

01-06-02 to 02-29-04
03-01-04 to 01-09-05
01-10-05 to 01-11-09

Branch Manager

Tammy Dulworth

01-01-04 to 12-31-05



STATE OF INDIANA

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Number 140 (Branch) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branch for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

December 14, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBER 140
 TIPTON, INDIANA
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
 January 1, 2004 to December 31, 2004

	<u>Amount</u>
Collections:	
Registrations	\$ 2,806,867
Titles	429,316
Drivers licenses	101,996
Watercraft	80,329
Miscellaneous	<u>252</u>
Total	<u>\$ 3,418,760</u>
Distributions:	
State fees	\$ 1,294,747
County tax	1,823,382
Commission fees	<u>300,631</u>
Total	<u>\$ 3,418,760</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 140
TIPTON, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBER 140
 TIPTON, INDIANA
 STATISTICAL INFORMATION
 January 1, 2004 to December 31, 2004

<u>Transactions Processed</u>	<u>Quantity</u>
Vehicle registrations:	
Passenger	11,706
Motorcycle	793
RV (housecar)	563
Light truck	7,125
Other truck	231
Farm truck	314
Tractor	154
Trailer	3,229
Semitrailer	312
School and church bus	39
Other bus	1
Other	<u>100</u>
Total vehicle registrations	<u><u>24,567</u></u>
Drivers licenses and permits:	
Drivers licenses/learners permits	4,346
CDL licenses/CDL permits	416
Placards	599
Other	<u>2,441</u>
Total drivers licenses and permits	<u><u>7,802</u></u>
Titles:	
Vehicles	7,749
Watercraft	<u>142</u>
Total titles	<u><u>7,891</u></u>
Total watercraft registrations	<u><u>1,043</u></u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 140
TIPTON, INDIANA
EXAMINATION RESULTS AND COMMENTS

BANK ACCOUNT RECONCILEMENT

The December 31, 2004, bank account reconciliation, presented for audit by the Branch Manager, disclosed unexplained differences.

The account as of December 31, 2004, as reconciled by the State Board of Accounts, shows the bank account to be cash short in the amount of \$10,145.53. This amount is due back to the Branch for repayments erroneously transferred out.

All accounts are required to be balanced on a monthly basis. All unidentified cash shortages and overages of twenty dollars or more must be reported to Branch Operations before the next Trial Balance is performed. (Branch Operations Policies and Procedures Manual, Journal Chapter, Miscellaneous Branch Procedures Chapter)

REDECLARED WEIGHT

Truck 7,000 plate number 183358L could not be found in the Hold for Audit Inventory. The plate had been replaced with Truck 26,000 plate number 20025E in a reweight transaction.

When a plate has been replaced due to reweighting, the new registration stub/receipt should be attached to the original registration (photocopy or BOSS inquiry) and placed with the plate in the Hold for Audit items. (Branch Operations Policies and Procedures Manual, Branch Filing Procedures Chapter)

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBER 140
TIPTON, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on December 14, 2005, with Tammy Dulworth, Branch Manager.